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ABSTRACT

Approximately 20 million workers are presently living in countries other than their homelands in order to find better job opportunities. This labor migration is determined mainly by an income gap between the sending and receiving countries. Less important determinants are historical ties, cultural or linguistic affinity, and proximity. Emigrants include highly educated professionals such as doctors and engineers, and unskilled laborers who can assume low-paying jobs in agriculture and industry, for example. Countries from which the workers emigrate benefit in that unemployment rates drop and their economies are boosted by foreign money which the emigrees send back to relatives staying at home. However, the loss of human capital in selected areas often retards national development. Countries to which the workers immigrate benefit from incoming professionals whose training has been financed elsewhere, and from an availability of unskilled laborers willing to work for low wages. But at the same time countries of immigration suffer competition for jobs among the newcomers and indigenous minority groups, as well as effects of social tension among cultural groups. Problems caused by migration can be solved by restructuring economic relations so that people can earn a decent living in their home countries. Countries of emigration must emphasize labor-intensive development with egalitarian income distribution. Countries of immigration must restructure their labor markets to make exclusive use of indigenous worker populations. (Author/AV)

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International Migration: The Search For Work

Kathleen Newland

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The migration of workers from one country to another has become a central characteristic of the global economic system. For some countries, migration is also a key element in national population trends. Both the economic and the demographic consequences of international migration have trained the spotlight of public attention on the issue. At a time when competition for space, resources, and jobs is a prominent feature of relations between countries, migration is increasingly controversial.

Throughout history people have been driven from their homes by wars or ecological catastrophes, have been ejected from them by conquering rivals, have been captured and sent into slavery, have fled tyranny or persecution, or have voluntarily pulled up stakes to escape hardship and to better their standard of living. The last of these—the voluntary, economically motivated migrants who cross borders in search of work—is the group that will be discussed here. The voluntarism of these migrants' moves may be qualified by desperation and lack of alternatives, yet the force that expells them is usually not the force of arms but rather the force of circumstance. They are, in a sense, economic refugees.

Estimating how many people leave their own countries to look for work is notoriously difficult. One extremely rough count places the worldwide total at about 20 million workers outside their own countries, with untold numbers of dependents.[1] The difficulties of counting spring from the dynamism of the migration process itself. Census takers have trouble enough counting people who stay put. With populations on the move, all the problems of enumeration are compounded. Though many migrants do register with the authorities when they cross a border, a great many do not. Some countries of immigration try to record entries but are more lax about keeping track of departures, so that net migration figures are elusive. Counting migrants who do not have valid work or residence papers is especially difficult,

since this group tends to avoid officialdom. As a result, approximations of the size of a country's migrant population can vary wildly. Estimates of the number of "illegal" immigrants in the United States range, for example, between 2 and 12 million.

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Though the exact numbers of migrants are disputed, it is difficult to dispute the significance of migration as an economic and political issue between countries. Some of the sending countries are exporting up to one-third of their domestic labor forces, while in some of the receiving countries more than half the work forces are made up of immigrants. There could not be a more graphic demonstration of global interdependence, yet migration has not been the subject of much high-level discussion at the international level. Most nations continue to treat problems with emigration or immigration as internal matters. They set their policies with very little reference to the countries that are their partners in the human transfer.

Economic Refugees

The direction of labor migration is determined mainly by an income gap between the sending and receiving countries. Often factors such as historical ties, cultural or linguistic affinity, proximity, and ease of access play a part in directing segments of the migrant stream toward particular destinations, but the economic draw is primary.

The first great human migrations of the twentieth century were sparked mostly by political upheavals: World Wars I and II, revolutions and civil wars in Russia and China, the partition of the Indian subcontinent, and so forth. Demographer Kingsley Davis has estimated that such conflicts generated about 71 million refugees between 1913 and 1968.[2] By contrast, the migration of the late sixties and the seventies, and that in prospect for the immediate future, hearkens back to the movements of the nineteenth and early twentieth centuries, most of which were economically motivated. There are still, however, about 13 million political refugees in the world, concentrated in southern Africa, Southeast Asia, and the Middle East.

The distinction between political and economic refugees sometimes becomes hazy, especially when a nation's economy is undermined by

violent conflict. The most visible inhabitants of this gray area today are Indochina's millions of refugees. The "boat people" expelled from Vietnam fall more clearly into the political camp, though their erstwhile government appears to have some short-term economic motives for getting rid of them. The hundreds of thousands who have tried to leave Cambodia, however, are more likely to fall victim to the ravages of a war-torn economy than to the opposing armies.

One example from the past illustrates how easily a political migration can become an economic one. The Civil War in Paraguay in 1947 and the subsequent repression sent hundreds of thousands of Paraguayans fleeing across the border into Argentina. But the mass migration continued long after the civil conflict subsided. Paraguay experienced a population explosion in the sixties that was not accompanied by a rise in productivity in the rural sector. The beachhead established in Argentina by the political refugees facilitated the later entry of economically motivated migrants. By the end of the decade, 600,000 Paraguayans resided in Argentina.[3]

Within a country or a region, as within the world as a whole, differences in levels of development produce migration. The differential may be rather slight, as between Guatemala and Mexico, for example, or between El Salvador and Honduras, where the unwelcome migration of Salvadoreans into Honduras contributed to the outbreak of an actual shooting war in 1969. On most continents, regional axes of migration have evolved. People from the three poorest countries in Latin America—Bolivia, Colombia, and Paraguay—emigrate to the two richest, Argentina and Venezuela. One-fourth of Venezuela's population is now made up of immigrants, most of whom are thought to have entered illegally from Colombia.[4]

In West Africa, workers from Mali, Guinea, and Upper Volta go to work in Ghana, Senegal, and the Ivory Coast. Migrants compose about 20 percent of the labor force in the Ivory Coast, and make up the majority of agricultural wage-laborers and unskilled urban workers. In the mid-sixties, the average per capita income in Abidjan, the capital of the Ivory Coast, was almost 19 times the average income in Upper Volta, its main source of migrants. Since then, the disparity has, if anything, widened. Even the poorest parts of the Ivory Coast have higher income levels than Upper Volta. The Ivorian plantation

sector chronically needs workers because so much of the indigenous labor force is drawn away by the relative prosperity of the capital. Internal migration thus strengthens the conditions for international migration.[5]

Some regional poles of migration have also become global centers of attraction, notably Western Europe, North America, and the Middle East. These draw workers not only from neighboring countries but from all over the world. The basic mechanism is the same: a high wage level coupled with some availability of work, versus low wages and chronic underemployment, creates a powerful field of attraction in which migration is very likely to occur. The terminology of migration studies often divides the forces at the two poles into "pull" and "push" factors, but the separation is somewhat artificial. Like positive and negative charges on a battery, each pole without the other is powerless to induce a current.

Though there is a close correlation between labor flows and differences in income levels, contemporary migration has not acted to equalize the incomes of sending and receiving countries. The gap between them has, in general, grown, and thus continues to fuel the migration process. The prospect for the immediate future does not promise any change in this pattern. Between 1975 and the end of this century, the global labor force will have grown, according to conservative estimates, by about 900 million people. Already there are more than 350 million people in the world who are unemployed or underemployed. The vast majority of the new job-seekers—eight out of nine—will reside, initially at least, in countries with low incomes, youthful populations, high birth rates, and already overcrowded job markets.[6] Few of these countries have embarked upon development plans that emphasize employment creation, egalitarian income distribution, and population stabilization as top priorities. In the absence of such plans, successfully implemented, there is every reason to believe that the swelling labor forces of the Third World will produce a growing number of economic refugees.

The Mixed Blessings of Emigration

Because of the internal pressure on their labor markets, emigration has commonly been seen as an unmixed blessing for labor-exporting

"Internal migration strengthens the conditions for international migration."

countries. In the abstract world of classical economics, all free flows of the factors of production, including labor, benefit everyone. Labor is drawn to those areas where it finds the highest return, but the "invisible hand" ensures that wages eventually reach an equilibrium in the sending and receiving areas, and so the movement of labor is halted. While the balancing act is going on, the labor-exporting countries enjoy the benefits of foreign-exchange earnings in the form of wages sent home by emigrant workers. These earnings help the sending countries to develop their economies to the point where they can bid successfully to retain workers or even regain those who have left.

It is only recently that this idyllic scenario has been sharply called into question by the labor-exporting countries. The loss of highly skilled workers, the "brain drain," has long been a subject of concern, but the 1974/75 recession sparked a newly critical attitude toward all aspects of emigration. Western Europe at the time of the recession was host to some 15 million migrant workers.[7] The downturn in economic activity following the tripling of oil prices in 1973 led to sharp restrictions on immigration. Algeria, Portugal, Turkey, Yugoslavia, and others among the home countries of the West European immigrants suddenly faced the prospect not only of a halt to emigration, but of a massive repatriation of those who had been working abroad. In addition, they faced a sharp drop in remittances of wages from abroad at a time when they too were hit by the recession.

The reverse flows of emigrants did not reach the massive proportions that were feared, though in some cases the returns were substantial. Remittances did drop and emigration did fall off sharply in most countries. The economic impact was serious, and the psychological one equally so. The dependency and the vulnerability of being a large-scale labor exporter were brought sharply into focus. There has since been an intensified effort to assess the net benefits and costs of emigration, not only for those countries involved in the transfer of labor to Western Europe, but also for others that find themselves in an analogous position.

One of the supposed benefits of emigration is the reduction of unemployment in the home country. The relationship is actually far more complex than is often assumed. Simply to add the numbers of emi-

grants to national unemployment figures and identify this sum as "unemployment rate without emigration" is to make several unjustifiable assumptions. The most important of these is that the emigrants would be unemployed if they remained at home. Empirical evidence shows, however, that many migrants are working just before they leave their own countries. In fact, a surprising number are employed in industry: in 1971/72, 67 percent of the workers leaving Spain had been employed in industrial jobs prior to departure, as had 46 percent of those from Portugal, 30 percent from Greece, 26 percent from Yugoslavia, and 23 percent from Turkey.[8]

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If the people who emigrate are those who would be unemployed or underemployed at home, emigration is a good thing for the labor market. This may also be true if the emigrants were employed but are easily replaced from among the ranks of the jobless. Many of the labor-exporting countries believe this process to be working well, and so welcome or even seek foreign employment opportunities for their citizens. Pakistan, for example, can point to the experience of its construction sector between 1973 and 1978, when there was considerable migration of construction workers to the Middle East. In 1973, 800,000 workers were involved in that sector, and 224,000 were underemployed. By 1978, the labor force in construction, including those working outside the country, had grown to one million and underemployment was insignificant. At the same time, wage rates for construction workers within Pakistan more than doubled.[9]

The emigration of the unskilled is particularly beneficial to a country where unemployment is chronically high. Unskilled workers are the most likely to be unemployed, and they are the most easily replaced by others in the domestic labor market. Zafer Ecevit and K. C. Zachariah, an economist and a demographer from the World Bank, have summed up the conditions for a positive impact of emigration on employment: "In general, emigration of labor can be beneficial only up to the point where it begins to draw upon the pool of productively employed whose positions cannot be filled promptly by other equally qualified unemployed in the labor market."[10]

Many of the sending countries have passed the critical point described by the World Bank analysts, and are experiencing actual labor shortages in some sectors of their economies. The most familiar and the

"Recently, the drain of skilled manual workers, low-level white-collar workers, and even unskilled laborers is causing economic disruption."

most closely studied aspect of this problem is the "brain drain" of highly skilled professionals from the developing world. More recently, however, the drain of skilled manual workers, low-level white-collar workers, and even unskilled laborers is causing economic disruption as well. This is not surprising considering the high proportion of the work force that migrates from some countries. Jordan, for example, had 28 percent of its labor force working abroad in 1975—and this proportion of the total labor force amounted to almost half of all modern-sector, nonfarm, civilian workers. Ironically, Jordan was itself forced to import labor (mostly from Egypt and Syria) in 1976/77 to make up for some of the shortfall. Oman, which also had more than one-quarter of its work force out of the country, was in a similar situation: 52 percent of its modern-sector work force was made up of immigrants in 1975.[11] Replacement migration is a phenomenon in other parts of the world as well, such as Mexico and the Ivory Coast, though not on the scale reached in the Middle East.

Even when the volume of emigration does not account for a high proportion of a country's work force, the impact of a selective drain can be damaging. Emigration from the Sudan amounts to only 1 percent of the total labor force, yet 20 percent of the entire staff of the country's one university have emigrated. That figure goes much higher for graduates of certain departments: as many as 70 percent of the medical graduates have left the country, for example, as have 35 percent of the graduates of the School of Hygiene. Both are fields in which Sudan's own needs are critical. Other institutions are similarly handicapped by the loss of skilled people. One-quarter of the 100 statisticians employed by the government in 1975 have left to work in other countries. One very thorough study of migration in the Middle East points out that the emigration of stenographers, typists, punch card operators, and bookkeepers from the Sudan "has become an obstacle to the efficient working of government."[12]

The movement of skilled labor from less developed to more developed countries has been characterized as reverse foreign aid by the U.N. Conference on Trade and Development (UNCTAD). The cost of educating and training people is borne by their native countries, yet the benefits of their skills are enjoyed by the country to which they emigrate. The loss of human capital is a serious problem for poor nations, and the revenues involved can be staggering. One UNCTAD

report estimated the value of skilled migrants to the United States, Britain, and Canada alone at $46 billion for the period 1961 to 1972. Pakistan loses 50 to 75 percent of its medical schools' yearly output of graduates, and India loses 24 to 30 percent of its graduate doctors and engineers. UNCTAD places the total loss of the Third World to the developed countries at about 420,000 professional and technical workers.[13]

Emigration of nonprofessional, skilled workers does not result in as high a loss per worker of investment in education as does the departure of doctors, scientists, and engineers, but it can and does create serious gaps in the domestic labor market that can lead to bottlenecks in the development process. Far from relieving unemployment, the loss of skilled people may in fact perpetuate or even create unemployment by crippling the most dynamic sectors of the economy. Emigration from the Philippines has created shortages of welders, computer operators, cable splicers, and oil-refinery workers, to name only a few.[14] Most of the major labor-exporting countries are experiencing some problems of this nature. Carpenters, electricians, plumbers, pipe fitters, masons, and other skilled workers in the construction trades are in short supply throughout the Middle East. The construction phase of the oil countries' industrialization drive has stripped the surrounding countries of more of these workers than they can afford to lose.

The picture that emerges of the expatriate worker is a far cry from the "tired, poor, wretched" emigrant stereotype of the early part of this century. The economically motivated migrant is, rather, among the relatively skilled, educated, and, presumably, enterprising segment of the labor force. Unskilled labor made up a bare majority (54 percent) of Saudi Arabia's total immigration in 1975, and only 38 percent of Libya's. The educational level of Jordanians working abroad in the mid-seventies was well above the average of their compatriots at home.[15] (See Table 1.)

The training and the experience that emigrants receive while they are working abroad is frequently mentioned as some compensation for the loss of their skills and services to their home countries. This argument rests on three assumptions: that the emigrants do return home, that they continue to practice at home the same occupation they practiced abroad, and that their acquired skills are needed in the

Table 1: Educational Levels of Jordanians Abroad and At Home

Educational Level	Sample of Jordanians Abroad, 1975	Sample of Population in Jordan, 1976
	(percent)	(percent)
Less than elementary	8	61
Less than preparatory	15	22
Less than secondary	7	8
With secondary certificate	56	5
Post-secondary diploma	4	1
Degree	10	2

Source: Dr. Stace Birks and Dr. Clive Sinclair.

domestic economy. None of these conditions is assured, and the operation of all three in concert requires luck, careful planning, and the cooperation of the host countries. A mismatch of skills is commonplace. For example, two-thirds of the Algerian workers in Europe are employed in the construction sector, yet Algeria's projected labor needs for the eighties are in fields like chemicals, hydrocarbons, and textiles. The Upper Voltans at work in the Ivory Coast plantations learn little that is of use to them on the small farms that are their only source of livelihood when and if they return to Upper Volta.[16]

A stronger support for the compensation argument rests on the more tangible benefit of money sent back to the home country by workers abroad. Remittances not only raise the immediate standard of living of the recipients; they also have become an important source of foreign exchange and a key element in the balance of payments of many countries of emigration. The net flow of remittances to the developing countries topped $8 billion in 1975—double the level in 1972—and has since continued to grow.[17] The major source of growth has been earnings from the Middle East.

For the families of the migrants, the money received from relatives abroad is a lifeline. The average Portuguese emigrant sent home $2,700 in 1977, for example, and the average Yugoslav, $3,400. Mexican illegal immigrants to the United States, according to one

study, support an average of 5.4 dependents each by repatriating 30 percent of their earnings. The average Pakistani, while abroad, lives on only 40 percent of his or her income, sending the rest back home.[18]

14 Workers' remittances have become as crucial a part of national as of household budgets. During the seventies, they grew much faster than any other element of the gross national product (GNP) in many of the labor-exporting countries. In Pakistan, for instance, cash remittances grew at a compound rate of 55 percent annually between the fiscal years 1972/73 and 1977/78, at a time when the domestic economy was at a virtual standstill. In the early seventies, migrant workers sent more money home to Portugal and Turkey than those countries earned from exports. Remittances thus became a central item in the balance of payments of these, and other, countries. Without the hard currency sent back by expatriates, many of the emigrants' home countries would have had grave difficulty meeting their import bills.[19] (See Table 2.)

Table 2: Ratio of Remittances to Export Earnings and Import Bills, 1976

Country	Ratio of Remittances to Export Earnings	Ratio of Remittances to Import Expenditures
	(percent)	(percent)
Greece	35	13
Jordan	198	34
Morocco	43	16
Pakistan	31	12
Turkey	50	17
Yemen Arab Republic	5,897	137
Yugoslavia	35	22

Source: Zafer Ecevit and K. C. Zachariah.

The countries that have become closely tied to the booming labor markets of the Persian Gulf since 1973 are particularly dependent on expatriate earnings. Remittances to Jordan went from the equivalent

"In the early seventies, migrant workers sent more money home to Portugal and Turkey than those countries earned from exports."

of 5 percent of the GNP in 1973 to 32 percent in 1976. The most extreme case is that of the Yemen Arab Republic. By 1976, money sent home by workers abroad made up 46 percent of its GNP. In 1977, remittances alone amounted to more than Yemen's entire 1975 gross national product.[20]

The dependency of some of the Middle Eastern labor-exporters on remittances leaves them extraordinarily vulnerable to external economic events. Once the labor-intensive construction phase of the oil-exporters' boom winds down, the demand for foreign labor—especially unskilled workers—will slacken. The demand for skilled labor will also weaken: one of the reasons the working populations of the oil-rich states are disproportionately small now is that many of their young people are in schools and training facilities. In addition, political instability in the Middle East could affect the demand for labor. There is little doubt that the opportunities for immigration in the oil-rich states will diminish rather than grow. Without some very bold and imaginative job-creation policies, the labor-exporters will at some point face a high unemployment rate exacerbated by returning migrants; at the same time, they will face a declining level of remittances.

The countries now dependent on migration to the Persian Gulf would do well to heed some of the lessons learned by the Mediterranean countries after the recession of 1973. Many of these nations relied on migration to Western Europe, though not to the extreme levels now found in the Middle East. When recession hit Western Europe in the wake of the 1973 oil price hike, migrants were among the first to lose their jobs. The number of "guest workers" fell by almost one-quarter of a million between 1974 and 1975. West Germany and the Netherlands ended new recruitment completely, and others cut back sharply. Countries like Greece, Morocco, Portugal, Spain, and Tunisia saw the number of workers emigrating plummet.[21] (See Table 3.)

Turkey was one of the countries hardest hit. Remittances dropped, in real terms, by more than 60 percent between 1974 and 1977, and declined a further 23 percent in 1978. In 1974, Turkey was meeting one-third of its import bill with the money sent home by emigrants. The sudden, drastic decline in these earnings plunged Turkey into economic crisis, or perhaps just removed the last barrier staving it off. In order to qualify for the loans needed to avert a financial catastro-

Table 3: Number of Workers Leaving Morocco for Europe, 1973-77

Year	Number
1973	29,700
1974	14,100
1975	2,900
1976	1,800
1977	1,300

Source: Dr. Stace Birks and Dr. Clive Sinclair.

phe, the Turkish Government was forced to negotiate stringent terms from the International Monetary Fund and an assortment of Western powers.[22]

Clearly, then, large-scale emigration is a mixed blessing at best. Against the foreign-exchange earnings and the skills acquired abroad the sending countries must weigh their loss of human capital and their extreme vulnerability to external economic events. Ironically, their official attitudes have displayed less ambivalence toward the process than have those of the countries at the other end of the transfer.

Immigration: Economic Gains and Social Costs

The ambivalence of the receiving countries toward labor migration is built upon a foundation of economic gain and social tension. Immigration has increased the human capital of the receiving countries, boosted or sustained their growth rates, given their native populations a cushion against hardship in times of economic difficulty, protected their competitive position in world trade, and dampened inflationary pressures. At the same time, it has raised fears among indigenous workers of depressed wages, higher unemployment, and deteriorating working conditions. In most labor-importing countries, the social responsibility for providing migrants with public services has been accepted with little grace. Migrants who belong to racial, ethnic, or linguistic groups that are different from the indigenous population

"More senior staff nurses from Bangladesh work in the Middle East than in their own country."

become easy targets of discrimination, hostility, or even violence. And recently, a growing concern about the impact of immigration on population growth in the receiving countries has been expressed.

The augmentation of human capital in the receiving countries, or "brain gain" as it might be styled, is the mirror image of the sending countries' loss. All societies invest a substantial portion of their resources in the upbringing, education, and training of the young. If one country bears these costs and another reaps the benefits, there is a clear gain for the latter. Immigration saves the receiving country the costs of rearing workers—costs that have become very high in the industrial world. This saving is the hidden subsidy in the migration process. One study estimated that it would have cost West Germany $33 billion (at 1972 dollars) to rear and educate the number of workers gained by immigration between 1957 and 1973.[23] Weighing such a hypothetical figure against remittances and the bill for social services to migrants is difficult, if not impossible, but the balance in purely financial terms would almost certainly come out in favor of the country of immigration.

The more highly skilled the immigrant, the greater the gain to the receiving country. A number of countries of immigration, such as the United States and Australia, give strong preference to skilled professionals in their immigration policies. Between 1970 and 1974, 28 percent of the legal immigrants to the United States who declared an occupation fell into the category of "professional, technical, and kindred workers." These included three out of five of the immigrants from Asia, and one-tenth of those from Latin America. Overall, in the early seventies, immigrants from the Third World made up between 25 and 50 percent of the annual increase in the number of physicians and surgeons in the United States. The developing countries were also the source of 15 to 25 percent of the new engineers, and 20 percent of the scientists.[24]

Like the United States, Europe and the Middle East draw heavily on professionals from the Third World. The medical field is a particularly profitable source of immigrants. Germany, which has relatively few Asian immigrants, has recruited over 3,000 Korean nurses, for example. At present, more senior staff nurses from Bangladesh work in the Middle East than in their own country. The flow of Third World

professionals to rich countries has caused aid-giving governments to reassess the overseas-training components of their foreign assistance programs. So many of those who receive training in a donor country emigrate that the "development aid" embodied in their increased skills ends up in another wealthy nation rather than in the poor country for which it was intended.[25]

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There are some, demographer Kingsley Davis prominently among them, who argue that the importation of skilled professionals is a disservice to the host countries as well as to the source countries. They maintain that the inadequacies of professional training in rich countries are perpetuated when foreigners can be plugged into the holes left by the educational system. Yearly, the United States imports at least half as many physicians as it graduates, for example. An indigenous training capacity that could meet domestic needs for professional workers without relying on immigrants would open channels of upward mobility to citizens whose opportunities are otherwise limited.[26]

Immigration of highly skilled people is considerably less controversial than that of the unskilled and semiskilled. Less-skilled migrants tend to cluster in jobs at the low end of the wage scale, where they compete with those native-born workers who are the lowest paid and least advantaged members of the labor force. There is no hard evidence to show that migrants take jobs away from citizens or actually depress wage levels. It is reasonable to suppose, however, that the presence of migrants prevents wages from rising as fast as they otherwise would; income distribution among a country's citizens may worsen as a result. The other aspect of this wage effect, if it exists, is of course that unit labor costs are held down, thereby restraining inflation.

One of the most difficult questions surrounding the issue of immigration is whether, despite what may be a generally beneficial effect on the receiving country's economy, it harms the most vulnerable groups in the indigenous population: minorities, youth, women, and so forth. It is as easy to believe that migrants take the jobs and lower the wages of these groups as it is to believe that, by doing the necessary menial jobs, they allow the host country's own lower class to improve its position in society. There is little conclusive evidence either way. The net effect of immigration on wages, employment, and the economic

prospects of the indigenous poor probably depends less on the migrants' specific job placements than on their contribution to the economy's overall growth rate. If immigration boosts the economy as a whole, the chances are that all classes will benefit, including those who compete most directly with the migrants for jobs.

Immigration contributes to economic growth in the receiving countries in several ways. It increases the flexibility of the labor market, generates its own demand for goods and services, and prevents certain bottlenecks from developing in the production process. Incoming migrants are usually more mobile than citizens, so they can better respond to a need for labor in a particular part of the country, thus reducing regional disparities. The spending of the migrant population itself has a multiplier effect, raising the demand for all kinds of jobs. Most importantly, migrant labor is essential to industrial production in the receiving economies. In the oil-rich states of the Middle East, migrants fill half of all jobs.[27] (See Table 4.)

Table 4: Nonnational Employment as Proportion of Local Employment in Selected Countries, 1975

Country	Proportion of Nonnationals	Total Employment
Saudi Arabia	43	1,799,900
Libya	43	781,600
Kuwait	69	299,800
United Arab Emirates	85	296,500
Bahrain	40	75,800
Qatar	81	66,300

Source: Dr. Stace Birks and Dr. Clive Sinclair.

The European boom of the sixties clearly was made possible by migrant labor, just as the post-1973 Persian Gulf boom is currently supported by immigration. Because a substantial part of immigration into the United States is extralegal, the correlation is more difficult to draw, but the available evidence supports the notion that immigra-

tion was especially high in the boom years of the sixties. Economist Charles Kindleberger, who has studied the issue closely, maintains that European labor migration in the postwar period has been regulated more by the demand for labor in Europe than by the "push" factors in the countries of emigration. His point of view is supported by country studies carried out by the International Labour Office (ILO). The ILO concludes, for example, that the influx of foreigners to Germany in the sixties is more closely correlated with German demand for labor than with any other possible explanatory factor.[28]

Other regions depend on migrant workers, though not to the same extent as the Middle East. The agricultural sectors in France and the United States and public transport in Britain are heavy employers of foreign labor. The manufacturing, construction, and service industries in most of Western Europe are heavily dependent on immigrants. In South Africa, two-thirds of the gold-mine work force in 1975 was made up of temporary immigrants from neighboring countries.[29]

The example of South Africa illustrates starkly the dark side of the benefits of immigration to the receiving country—as well as the dark side of the "flexibility" that a foreign work force bestows on the host economy. The worker who has neither permanent rights of residence in the place where she or he works nor a voice in its political affairs is easy to control—even easier than an indigenous underclass. Workers can be admitted to the country only as needed by employers, and they can, in theory at least, be shipped home if they make trouble or if they are no longer needed.

So well has foreign labor worked for South Africa that the government has now embarked on a systematic program to turn a sizable number of its indigenous black citizens into foreigners via the notorious "homelands policy." Three artificial mini-states have been created so far in South Africa toward this end: Transkei, Bophuthatswana, and Venda. Seven more are planned. Richard Burnett has summed up the impact of the homelands policy:

> Blacks will still work in white South African homes, factories, and farms, of course, but their "foreign" status means that like Mozambicans and Malawians today, they

will be allowed to live near their workplace only while they are employed and their families will not be permitted to accompany them. In essence, this is no different from the present situation in South Africa, but it attempts to wrap an international legal framework around the notorious pass laws that have provoked so much external criticism.[30]

Some, including Burnett, have argued that illegal immigration into the United States, prosecuted with so little effect as to seem to some an endorsement, fulfills an economic function similar to the homelands policy—providing U.S. employers with a cheap, docile, flexible labor force without political rights. This impression is supported by the fact that waves of enforcement fever seem to follow the ups and downs of the U.S. economy rather closely. The immigration laws rise in public esteem along with the unemployment rate.

One of the major advantages to the receiving countries of labor migration in the sixties and seventies was the ability to regulate the growth in their work forces in tune with economic conditions, and even to export part of their unemployment. The size of indigenous labor forces is at the mercy of demographic realities like births and deaths as well as social realities like the proportion of women who seek work in the formal labor market. Social factors are more flexible than demographic ones, but neither is as flexible as the ability to welcome or discourage international immigration.

Without turning to widespread deportations or alterations in the status of individual migrants, Western Europe saw 1.2 million immigrants return to their home countries between 1973 and 1977 following the onset of the recession. One guest worker in five had left Germany by 1976. Switzerland endured almost a 12 percent decline in employment as a result of the recession. The brunt of this decline was borne by migrants, as thousands of seasonal and frontier workers found their work permits simply could not be renewed. As a result of this policy, and of the obliging departure of quite a few Swiss women from the labor force, unemployment did not rise drastically as the number of jobs shrank.[31]

Between 1974 and 1976, 80,000 workers returned to Turkey from industrial Western Europe as a whole, as did 184,000 to Spain, and

115,000 to Yugoslavia. During this period, new admissions of immigrants virtually came to a stop. Charles Kindleberger points out that this ability to export unemployment allowed the European industrial countries to pursue more restrictive economic policies in order to control inflation than would have been possible if their own populations had had to bear the full brunt of the employment-inflation trade-off. He notes that "restrictions [on immigration] help industrialized countries to achieve a given (low) target of inflation for a lower (reported) level of unemployment at the expense of lesser-developed nations where the trade-off is consequently worsened."[32]

If immigration has been such an economic boon to the receiving countries, why is it so unpopular with the native-born? Part of the answer may indicate that the unpopularity is transitory, a reflection of the 1974 recession, the weak recovery, and the continuing threat of another slump. If the phenomenon is indeed mostly based on economic conditions, and if predictions of a labor shortage in the industrial countries commencing in the late eighties are borne out, immigration may again be viewed with favor in Europe and the United States.

There is certainly more to popular reaction and official policy in the area of immigration than bald economic rationality. In each of the major receiving areas, a large influx of immigrants has generated a reaction—ranging from reservation to resentment to outright hostility. Despite an array of evidence showing that migrants make positive contributions to their host countries, they tend to be seen as supplicants or worse. They are imagined to be taking something away from the native population.

Immigrant workers do place demands upon a country's housing stock and public services. This is often a bone of contention with native-born residents, even though it is elementary to acknowledge that an economy that accepts the labor of migrants has an obligation to provide for their basic needs. Most immigrants pay the same direct and indirect taxes as citizens and receive less in return. Partly because migrants tend to be young, healthy, and, often, single, they make few demands on health-care services, schools, and other social welfare systems. The few responsible studies that have been done of illegal immigrants in the United States show this pattern even more strongly.[33]

"An economy that accepts the labor of migrants has an obligation to provide for their basic needs."

History provides endless examples of a foreign population becoming an easy focal point for all kinds of social and economic discontent. Political leaders are not above exploiting latent xenophobia to shift the blame for such discontents from themselves onto an imported work force. Jacques Chirac, the former French premier, provided an example of this age-old approach in the early seventies when he said "a country with 900,000 unemployed but with two million immigrant workers is not a country with an insoluble labor problem."[34]

The French Government continued to pursue the same general line through the seventies in a way that firmly attached immigration to unemployment in the popular mind. They should not have been surprised, then, by the brutal attacks on Algerians in Marseilles, which prompted Algeria temporarily to cut off emigration to France in 1973. Yet in 1977, an official report to the French Government concluded that if 150,000 of the 1,900,000 migrants still in the country were to leave, jobs would be opened for a mere 13,000 French natives. Not only was direct displacement of French workers by immigrants judged to be exceedingly low, but efforts to reduce the migrant population rapidly were expected to cause economic dislocations that would raise unemployment among nationals. Some immigrant-dependent businesses would be forced to close, thus throwing French workers out of their jobs along with the foreigners.[35]

The French popular attitude can be observed all over Europe. Fifty percent of the Germans who responded to a 1976 poll believed that the surplus of immigrants was the cause of Germany's employment problem. Switzerland held (but defeated) referenda in 1973 and 1977 that would have mandated drastic reductions in the foreign population, even though by the time of the second vote the migrant population had already shrunk by 230,000. Furthermore, an ILO study had concluded that if another 10 percent of the foreign workers were forced to leave, Swiss workers would lose about 100,000 jobs.[36]

Will economic self-interest or social tension predominate in future policy choices about migration in the receiving countries? Slow growth rates in Europe and the United States have narrowed the divergence between the two over the past few years. There has not been a large demand for foreign labor to attract new migrants. But even in the rapidly growing states of the Persian Gulf, there are signs of concern

about the social effects of large-scale labor migration. Consistent policies to minimize the social tensions associated with immigration while preserving the economic benefits cannot be devised and implemented by the receiving countries alone. For that, they will have to cooperate with their partners in the global labor market, the countries of emigration.

Migration Policy

The movement of people from poor regions to richer ones often seems to be as natural and irresistible as falling water. But thinking of the process in abstract terms can easily mask the disruptions of social and economic systems, as well as of individual lives, that commonly accompany migration. Massive labor migration is a symptom of a world economy that is fundamentally askew, an economy in which gross income disparities both within and among countries persist. In the sending countries, the chronic need to migrate signals a failure of economic planning, population policy, or both. In the receiving countries, migration can perpetuate anachronistic economic and social structures and can create a class of subcitizens whose civil liberties, economic security, and human rights are tenuous.

Long-term solutions to these basic problems of migration depend on a restructuring of economic relations so that people can earn a decent living in their home countries. For the countries of emigration, an emphasis on labor-intensive development with egalitarian income distribution is the only sure solution to mounting emigration pressures. This will be very difficult to achieve without a long-term program of population stabilization. The countries of immigration need to make a consistent effort to prune the domestic labor market of jobs that cannot be filled by indigenous workers because pay or working conditions are not of an acceptable standard. This will mean upgrading some jobs and allowing others, in labor-intensive industries such as footwear, textiles, and electronic sub-assembly, to disappear by attrition in favor of imported goods. If any residual, excess demand for labor remains that cannot be met by the country's own citizens, the migrants who are invited to meet the demand should be accorded full civil and economic rights, with access to citizenship if they choose to settle permanently.

"Massive labor migration is a symptom of a world economy that is fundamentally askew."

Such adjustments will take a long time, even if they are pursued vigorously by the governments involved. There is little evidence that solving the migration problem at its roots is a high priority for either the sending or the receiving countries, especially when doing so requires politically difficult actions like income redistribution or abandonment of protectionist measures.

Migration is never likely to disappear entirely. There will always be people who have their own private reasons for wanting to move from one country to another, and freedom of movement is an aspect of human liberty worth preserving. But if farsighted policies can remove the economic coercions that virtually force masses of people into the migratory stream, the stream is likely to dwindle eventually to a manageable trickle rather than to grow into a flood. The long-term nature of the solutions, however, means that migration will continue to be a contentious international issue for at least the next few decades.

In the meantime, migration can hold advantages for both the sending and receiving states. The object of short-range migration policies should be to make the most of the potential benefits while minimizing the costs to individuals and society. A further responsibility of policymakers in this area is to ensure that the costs and benefits are fairly shared among the countries involved.

For the countries of emigration, migration policies must first consider pragmatic questions concerning the instability of remittances and labor demand abroad. Their development strategies need to be flexible enough to take advantage of the cash flows generated by migrants, but independent enough to survive fluctuations and eventual decline in this source of foreign exchange. Within such a general framework, the specific adverse efforts of emigration can be addressed. Programs to persuade needed personnel to remain or return, to put remittances to productive uses, and to dampen the inflationary effects of money sent home by emigrants are badly needed.

Many of the labor-exporting countries are addressing themselves to these interim goals. Jordan is improving the fringe benefits of employment and is training more women to enter the labor force in order to mend some of the holes in its domestic labor supply. Yugoslavia has experimented with a scheme by which emigrants from the same area

pool their savings to create labor-intensive industries in their home region. Employment in the resulting enterprises is given preferentially to the emigrants' family members, and returned migrants act as instructors or supervisors. A number of countries require skilled graduates to work at home for a few years, or to repay the public-subsidy element of their educational costs. Each of these measures is a response to a particular problem associated with emigration.[37]

Most of the major countries of emigration have rapidly growing, youthful labor forces. The age structure of the population, combined with the still high birth rates, builds a tremendous momentum into the growth of the labor force. Any failure of the sending countries' governments to mesh their economic policies with their demographic realities is likely to generate additional pressure for emigration. With the major receiving regions expressing reservations about taking in more migrants, especially on a permanent basis, no country can safely rely on emigration as a safety valve for excess labor-force growth.

The preconditions for severe emigration pressures are well illustrated by the development experience of Mexico in the fifties. Eighty percent of the increase in Mexican agricultural production between 1950 and 1960 came from 3 percent of the country's farms. Landless rural laborers in that period increased in number from 2.3 to 3.3 million. The average number of days each one worked dropped from 194 to 100 per year, and their average yearly income from $68 to $56.[38] The context of this peasant catastrophe was a process of capital-intensive rural development. A great many of those displaced from the rural economy became migrants, either to Mexico's own cities or to the United States. For most of the Third World, as for Mexico, a rural focus for development strategy is imperative, since it is in the rural sector that the underemployed population is concentrated.

The chief problem facing the receiving countries is how to balance the economic problems that are solved by immigration with the social problems that are created by it. The economic benefits of immigration reach a low and social tensions reach a high in periods of low or negative economic growth. Still, expelling foreign workers is a rarity even in the most difficult times. The United States comes perhaps closest of the Western industrial states to such a stance, because a

large part of its immigrant population is cloaked in the shadow of illegality and enforcement efforts tend to follow economic trends.

In Europe, governments have for the most part restricted further entry of workers, and attempted to increase the attrition rate of the migrant population with various incentives to repatriate. France has probably gone furthest in this respect, with incentives ranging from sizable departure grants for returning immigrants to attempts to restrict the entry of migrant workers' families and prison sojourns for immigrants awaiting deportation.[39] Even this carrot-and-stick approach has produced relatively few net departures, however. Most such programs have proved unsatisfactory. So France, Germany, Sweden, and some other European countries have accepted the fact that many of their "guest workers" are there to stay, and are taking steps to aid assimilation of the immigrants into the mainstream of the host societies.

The frustration that both sending and receiving countries have experienced in the effort to bring migration under control argues for a cooperative approach by both groups. It is extraordinarily difficult to solve by unilateral measures a problem rooted in two countries simultaneously. Aware of these problems, the Organisation for Economic Cooperation and Development commissioned a group of independent experts to study the migration issue. Its report, issued in 1978, stressed the need for consultation between the sending and receiving states. This recommendation emphasized the need to avoid situations in which one country's unilateral actions damage the interests of others through sudden stops or starts in the demand for and supply of labor. Coordinated planning, the report argued, would lead to a more rational use of labor in general.[40]

Even with cooperative approaches, however, migration does not provide real solutions to the problems that give rise to it, and it creates its own set of dilemmas. The employment challenge that the developing countries face between now and the end of the century is of such a scale—nearly a billion jobs needed—that emigration cannot provide an adequate "safety valve" for the resulting pressures. The industrial countries will be able and willing to absorb only a small fraction of these future workers. In sending that fraction, however, the source countries run the risk of losing enough of their best and brightest to cripple their own development efforts.

In many of the receiving countries, popular sentiment against immigration is rising. Often the reasons are xenophobic or overtly racist. This has made it difficult for reasonable, humane arguments against reliance on immigration to escape the ugly tinge of prejudice. Yet there is scope for legitimate concern about the continuous importation of workers to do society's ill-paid and poorly regarded work, especially if those workers are not allowed the political and economic rights that are taken for granted by the citizens of the host country. The deliberate creation of an underprivileged class is bound to have negative long-term effects on democratic systems. It is likely to perpetuate a retrograde social structure with economically differentiated classes; indeed that is one of the main objects of migration policy in South Africa. The influx of underprivileged workers also makes it difficult to raise the status of jobs that have low prestige. Several European countries have found whole sectors of their economies deserted by native workers as certain jobs acquire the stigma of belonging to immigrants.[41]

The long-term disadvantages of mass migration for both sending and receiving countries should not call forth Draconian measures to seal national borders and exclude foreign workers from national labor markets. Such administrative measures have not worked well in the past, and they often produce serious violations of civil rights. Above all, they treat the symptoms rather than the causes of the migration problem. The real solutions lie in labor-intensive development in the source countries, a restructuring of labor markets in the host countries, and egalitarian income distribution both within and among countries.

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